

**STATE MINERAL AND ENERGY BOARD
DOCKET REVIEW COMMITTEE**

ITEMS REQUIRING BOARD APPROVAL

OCTOBER 12, 2011

A. STATE AGENCY LEASES OCTOBER 12, 2011

La. R.S. 30:151 identifies the term "agency" as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency doesn't want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc.

La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

1. STATE AGENCY LEASE (A)

**SABINE PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from Sabine Parish School Board, dated August 4, 2011, awarded to Eagle Stone Energy Partners, L.P., covering lands located in Section 16, Township 8 North, Range 14 West, Sabine Parish Louisiana, containing 193 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Eagle Stone Energy Partners, L.P.
BONUS	: \$424,793.00 (\$2,201.00/acre)
RENTAL	: Paid up lease
ROYALTIES	: 25% on oil, gas and other minerals
TERM	: 1 year

There was only one bid submitted. (Current rider attached)

**A. STATE AGENCY LEASES
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2. STATE AGENCY LEASE (B)

**CALCASIEU PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from the Calcasieu Parish Police Jury, dated September 12, 2011, awarded to Aspect Energy L.L.C, covering lands located in Section 17, Township 7 South, Range 10 West, Calcasieu Parish, Louisiana, containing 0.87 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Aspect Energy L.L.C.
BONUS	: \$262.74 (\$302.00/acre)
RENTAL	: \$131.37
ROYALTIES	: 1/5 th on oil, gas and other minerals
TERM	: Three years

There was only one bid submitted. (Current rider attached)

3. STATE AGENCY LEASE (C)

**CALCASIEU PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from the Calcasieu Parish Police Jury, dated September 12, 2011, awarded to Aspect Energy, L.L.C., covering lands as described on the attached Exhibit "A", Calcasieu Parish, Louisiana, containing approximately 9.23 acres, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Aspect Energy, L.L.C.
BONUS	: \$2,787.46 (\$302.00/acre)
RENTAL	: \$1,393.73
ROYALTIES	: 1/5 th
TERM	: Three year

There was only one bid submitted. (Current rider attached)

B. STATE LEASE TRANSFERS

OCTOBER 12, 2011

La. R.S. 30:128 (A) provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the office of mineral resources.

This sections deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (formerly called a Form B) listing the pre- transfer ownership interest in the lease and the post- transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

1. ASSIGNMENT

STATE LEASE NO. 1480,
Lafourche Parish, Louisiana

An Assignment from Goodrich Petroleum Company, L.L.C. to Hilcorp Energy I, L.P., an undivided 1.75838% of 8/8ths interest in and to State Lease No. 1480, Lafourche Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said State Lease No. 1480 lies within the surface boundaries of the MW-Goodrich-Exxon Lake Raccourci Voluntary Unit, and **INSOFAR AND ONLY INSOFAR AS** to all depths from the surface to the base of the stratigraphic equivalent of the BOL 6 Sand, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

2. ASSIGNMENT AND CORRECTION OF ASSIGNMENT

STATE LEASE NO. 15993,
Cameron Parish, Louisiana

An Assignment and Correction of Assignment from Indigo Minerals LLC to Condor Petroleum, Inc., of all of Assignor's right, title and interest in and to State Lease No. 15593, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Condor Petroleum, Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
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3. ASSIGNMENT

STATE LEASE NO. 340,
Iberia Parish, Louisiana

An Assignment from Hess Corporation to Hilcorp Energy I, L.P., of all of Assignor's right, title and interest in and to State Lease No. 340, Iberia Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the lands described on the "Exhibit A", attached hereto, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

4. ASSIGNMENT

STATE LEASE NO. 18378,
Vermilion Parish, Louisiana

An Assignment from Hilliard Acquisitions IV, LLC, an undivided interest to the following in the proportions set out below:

Hilliard Energy, LLC	.1250000
CEL Properties, LLC	.3450000
RLI Properties, LLC	.1200000
Crain II Oil & Gas, Ltd.	.0200000

in and to State Lease No. 18378, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

CEL Properties, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

5. ASSIGNMENT

STATE LEASE NO. 18378,
Vermilion Parish, Louisiana

An Assignment from Hilliard Energy LLC to CEL Properties, LLC, of all of Assignor's right, title and interest in and to State Lease No. 18378, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

CEL Properties, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 12, 2011**

6. ASSIGNMENT

STATE LEASE NOS. 1999,
3770, 12806, 15683, 16735,
16736, 16737, 16738, 16869,
16870, 17674, 17675, 17942
and 19718, Plaquemines Parish,
Louisiana

An Assignment from XTO Offshore Inc. to Dynamic Offshore Resources, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 1999, 3770, 12806, 15683, 16735, 16736, 16737, 16738, 16869, 16870, 17674, 17675, 17942 and 19718, Plaquemines Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** State Lease No. 1999 covers and affects rights in the stratigraphic equivalent of the electric log depth intervals of 4,928' - 4,966', 5,358' - 5,360' and 5,505' - 5,640' as measured in the LLOG Exploration Offshore, Inc. SL 1999 #4 ST, with further particulars being stipulated in the instrument.

Dynamic Offshore Resources, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

7. ASSIGNMENT

STATE LEASE NOS. 1958
and 2125, Plaquemines Parish,
Louisiana

An Assignment from Poydras Energy Partners, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below:

DC Energy, LLC	12.500%
Triumph Energy I, LLC	36.875%
Attic Investment, Inc.	0.625%
Roky Operating, LLC	40.000%
Texas Allied Petroleum, Inc.	10.000%

in and to State Lease Nos. 1958 and 2125, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Triumph Energy I, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 12, 2011**

8. ASSIGNMENT

STATE LEASE NOS. 1958
and 2125, Plaquemines Parish,
Louisiana

An Assignment from DC Energy, LLC, an undivided 25% of 1% of 8ths, and Triumph Energy I, LLC, an undivided 75% of 1% of 8/8ths to Poydras Energy Partners, LLC, in and to State Lease Nos. 1958 and 2125, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Poydras Energy Partners, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

9. ASSIGNMENT

STATE LEASE NOS. 20101
and 20103, Plaquemines Parish,
Louisiana

An Assignment from Poydras Energy Partners, LLC, of all of Assignor's right, title and interest to the following in the proportions set out below:

DC Energy, LLC	15.00%
Triumph Energy I, LLC	43.25%
Attic Investment, Inc.	1.75%
Roky Operating, LLC	30.00%
Texas Allied Petroleum, Inc.	2.00%
Bedrock Energy Development, Inc.	8.00%

in and to State Lease Nos. 20101 and 20103, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Triumph Energy I, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

10. ASSIGNMENT

STATE LEASE NOS. 20101
and 20103, Plaquemines Parish,
Louisiana

An Assignment from DC Energy, LLC, an undivided 25% of 1% of 8/8ths, and Triumph Energy I, LLC, an undivided 75% of 1% of 8/8ths to Poydras Energy Partners, LLC, in and to State Lease Nos. 20101 and 20103, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Poydras Energy Partners, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 12, 2011**

11. ASSIGNMENT

STATE LEASE NOS. 1958,
2125, 20101 and 20103,
Plaquemines Parish, Louisiana

An Assignment from Triumph Energy I, LLC to Texas Allied Petroleum, Inc., an undivided 7% interest in and to State Lease Nos. 1958, 2125, 20101 and 20103, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Poydras Energy Partners, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

12. ASSIGNMENT

STATE LEASE NOS. 20101
and 20103, Plaquemines Parish,
Louisiana

An Assignment from DC Energy, LLC to Triumph Energy I, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 20101 and 20103, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Poydras Energy Partners, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

13. REASSIGNMENT

STATE LEASE NO. 195,
Plaquemines Parish, Louisiana

A Reassignment from Clayton Williams Energy, Inc. to Harvest Oil & Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 195, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Harvest Oil & Gas, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

14. ASSIGNMENT

STATE LEASE NOS. 17329
and 18183, Sabine Parish,
Louisiana

An Assignment from Ellora Land Holdings, LP to EOG Resources, Inc., an undivided 70% of Assignor's right, title and interest in and to State Lease Nos. 17329 and 18183, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

Ellor Land Holdings, LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
OCTOBER 12, 2011**

15. ACT OF CORRECTION

STATE LEASE NOS. 20221,
20259, 20367, 20369, 20528,
20529 and 20530, St. Mary Parish,
Louisiana

An Act of Correction of that certain Assignment, dated May 24, 2011, from Petsec Exploration and Production L.L.C. to GOME 1271 LLC, whereas as said parties desire delete State Lease No. 20259 and add State Lease No. 20529 from the Exhibit "A" attached to said Assignment, affecting State Lease Nos. 20221, 20367, 20369, 20528, 20529 and 20530, St. Mary Parish, Louisiana, with further particulars being stipulated in the instrument.

16. ASSIGNMENT

STATE LEASE NOS. 19257,
19258, 19998, 20005 and 20352,
Vermilion Parish, Louisiana

An Assignment from Cypress Energy Corporation to Surfside Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 19257, 19258, 19998, 20005 and 20352, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

Surfside Energy, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

17. ASSIGNMENT

STATE LEASE NO. 20595,
Acadia and Lafayette Parishes,
Louisiana

An Assignment from Ric Bajon & Associates to Sylvan Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 20595, Acadia and Lafayette Parishes, Louisiana, with further particulars being stipulated in the instrument.

Sylvan Energy, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

18. ASSIGNMENT

STATE LEASE NO. 20619,
Bienville and Bossier Parishes,
Louisiana

An Assignment from Classic Petroleum, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20619, Bienville and Bossier Parishes, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake, Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**B. STATE LEASE TRANSFERS
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19. ASSIGNMENT

STATE LEASE NO. 20621,
Bossier Parish, Louisiana

An Assignment from Classic Petroleum, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20621, Bossier Parish, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

20. ASSIGNMENT

STATE LEASE NO. 18582,
Terrebonne Parish, Louisiana

An Assignment from Renaissance Petroleum Company, LLC to AriesOne, LP, of all of Assignor's right, title and interest in and to State Lease No. 18582, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Caza Petroleum, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

21. ASSIGNMENT

STATE LEASE NOS. 19067
and 19068, Cameron Parish,
Louisiana

An Assignment from Renaissance Petroleum Company, LLC to AriesOne, LP, of all of Assignor's right, title and interest in and to State Lease Nos. 19067 and 19068, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

AriesOne, LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

22. CORRECTION OF RESOLUTION

STATE LEASE NOS. 16918,
17236, 18581, 19489 and 19677,
Lafourche and Plaquemines
Parishes, Louisiana

A Correction of Resolution No. 30 from the August 10, 2011 Meeting, being an Assignment from Martin-Marks Minerals, L.L.C. to Marks Explorer LLC, whereas Lafourche Parish was omitted from said resolution and is hereby being added, affecting State Lease Nos. 16918, 17236, 18581, 19489 and 19677, Lafourche and Plaquemines Parishes, Louisiana.

**C. DEPARTMENT OF WILDLIFE AND FISHERIES STATE AGENCY
LEASE TRANSFERS
OCTOBER 12, 2011**

The State Agency Leases require that any transfer of interest be approved by the Agency prior to the transfer. By Co-operative Endeavor Agreement, dated effective December 18, 2009, the Office of Mineral Resources has assumed responsibility for the administration of all State Agency Leases awarded by or on behalf of the said Department of Wildlife and Fisheries.

This section deals with transfers of interests in those State Agency Leases for the Department of Wildlife and Fisheries now under administration by the Office of Mineral Resources as staff of the Louisiana State Mineral and Energy Board and for which approval by the Board is being requested. Accompanying each item submitted in this section was an Ownership Transfer Form (Form-B) listing the pre-transfer and post-transfer interest of all party lease owners in the lease(s) herein set forth. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent with and reflect the interest in our records; and further, that all form requirements are met.

No items received for this category.

D. ADVERTISED PROPOSALS OCTOBER 12, 2011

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect to its mineral leasing activity must be advertised within a specific time of the State Mineral and Energy Board meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease amendments, gas production contracts, amendments, compromise agreements and other types of agreements. These items are checked by the staff to make sure that the contents of the agreement correctly reflect the understanding of all parties, that the form is authentic and properly notarized and that the items have met the statutory advertisement requirements.

1. UNITIZATION AGREEMENT (11-32)

STATE LEASE NO. 1423,
Lafourche Parish, Louisiana

A Unitization Agreement presented by Energy XXI GOM, LLC, to create a 28,538 acre unit, more or less, identified as the **"S-2 Sand, Reservoir A"**, with 13,441 acres being attributable to State Lease No. 1423 and the remaining acreage being attributable to Federal Lands, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

2. UNITIZATION AGREEMENT (11-33)

STATE LEASE NO. 1423,
Lafourche Parish, Louisiana

A Unitization Agreement presented by Energy XXI GOM, LLC, to create a 29,169 acre unit, more or less, identified as the **"S-2A Sand Reservoir A"**, with 17,476 acres being attributable to State Lease No. 1423 and the remaining acreage being attributable to Federal Lands, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

3. UNITIZATION AGREEMENT (11-34)

STATE LEASE NO. 1423,
Lafourche Parish, Louisiana

A Unitization Agreement presented by Energy XXI GOM, LLC, to create a 27,753 acre unit, more or less, identified as the **"S-3 Sand, Reservoir A"**, with 21,809 acres being attributable to State Lease No. 1423 and the remaining acreage being attributable to Federal Lands, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

4. UNITIZATION AGREEMENT (11-35)

STATE LEASE NO. 1423,
Lafourche Parish, Louisiana

A Unitization Agreement presented by Energy XXI GOM, LLC, to create a 95,560 acre unit, more or less, identified as the **"S-4 Sand, Reservoir RX-3"**, with 36,599 acres being attributable to State Lease No. 1423 and the remaining acreage being attributable to Federal Lands, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.